

Request for Offers (RFO) Addendum

RFO Number: RFO0121

Addendum Number: 2

Date of Addendum: 5/6/2016

Original Posting Due Date, Time: 5/20/2016, 4:30 pm CT

Revised Due Date, Time: N/A

Title: Workers' Compensation System Modernization Initiation

SCOPE OF ADDENDUM

Questions and Answers

1. What kind of workers comp experience are you looking for? RFP, research, length of experience etc
The above question for all 3 roles would be very helpful.

Answer: "Experience with workers' compensation technology systems" is included as a Desired Skill for each of the roles identified. This is in addition to more specific experience that is mentioned for each category. It would be to your advantage to call out any work experience that a resource may have with a workers' compensation system. This would demonstrate a deeper understanding of the subject matter.

2. How do you define planning engagements? Experience, parameters etc

Answer: For the purposes of this RFO, a planning engagement includes the development and execution of a work plan to accomplish the deliverables identified. The selected vendor will develop the plan and lead the effort. Similar efforts would include, but would not be limited to, intensive requirements gathering sessions with subject matter experts and the documentation of detailed requirements for a complex business system. Refer to the Workers' Compensation Modernization Project Final Report that was linked to the RFO for information about the complexity of the current system.

3. Are you looking for workers comp specific to government or private industry?

Answer: Experience with workers' compensation systems from the perspective of any stakeholder or participant is beneficial.

4. What type of workers compensation technology are you looking at specifically?

Answer: Please refer to the Workers' Compensation Modernization Project Final Report that was linked to the RFO for information about the technology options being considered. That said, the purpose of this RFO is to define the business and technical requirements of a modern workers' compensation system. The purpose of the RFP developed under this RFO is to select a business and technology solution and a vendor to implement it.

5. What project tool will they be using for the complex scheduling system?

Answer: The business and technical requirements of the complex scheduling system will be documented as part of this RFO.

6. Is the team required to be onsite 100% of the time for meetings and all work?

Answer: The vendor will be expected to be on site for interview sessions, requirements gathering, and meetings with project stakeholders. Work that does not require interaction with project stakeholders, such as documentation, development of RFO deliverables, writing of the RFP and final report, does not have to be conducted on site. The vendor will be provided with workspace at DLI's main office location.

7. With regard to availability of SMEs, the timeline suggest they are committed to meetings weeks 3-10 for information gathering, interviews, etc. Will they make themselves available only during weeks 3-10 or will vendor have access to them at other times throughout the project?

Answer: The vendor will propose the final work plan and schedule. The schedule provided in the RFO was only an estimate. SMEs will be available as needed throughout the effort.

8. May vendor also have access to SMEs when writing the RFP?

Answer: Yes.

9. Is the vendor allowed to move scheduled time around. For example, take time from RFP writing & move that to investigation to expand weeks from 3-10 to perhaps 3-20?

Answer: Yes. The vendor will propose the final work plan and schedule, subject to approval by the State.

10. If vendor is PM are they allowed to offer another schedule or is this a fixture which must remain?

Answer: Yes, the vendor will propose the final work plan and schedule, subject to approval by the State. The schedule in the RFO was only provided as an estimate.

11. May we get more information about travel costs? What is allowable by MN (i.e. state will/will not pay for taxi or rental car, airfare must not exceed \$x per flight)

Answer: The State will not reimburse for travel costs associated with this project. The cost proposal should represent the total cost to the State. Travel costs, if any, should be incorporated into the hourly rate for the resource(s) affected.

12. If a vendor bids and wins RFO0121, is said vendor forbidden from being a subcontractor to a prime implementation vendor?

Answer: Yes.

13. Kindly confirm the mode of interview? Whether it can be Skype/In-Person/Phone.

Answer: Interviews and/or presentations, if conducted, are preferred to be done in person. Other modes are allowable but may not be as effective.

14. Is there is any incumbent on this RFO? What is the annual spend amount for last contract?

Answer: There is no incumbent for this RFO. Approximately \$480,000 was spent on the prior contract.

15. Although excluded from RFPs for direct implementation and integration services, would the services vendor still be eligible for any client-side support RFPs (e.g. for expertise / capacity to deliver Change Management or Workforce Transition services), as these are frequently not in the scope of the implementation partner.

Answer: Yes. The vendor selected for this RFO would be eligible for RFPs or RFOs that are related to this project but distinct from the implementation RFP. At this time, no such RFOs or RFPs are planned.

16. May vendors provide redacted document examples?

Answer: Yes, as long as the examples are still able to demonstrate skill and expertise.

17. Regarding "5. Additional Statement and forms": Please confirm completed/signed forms are to be included in the proposal response.

Answer: Yes. Current versions of these forms must be included in the proposal response.

18. Is there a vendor who performed the requirements gathering for this initiative? If so, who did the work? Are they allowed to propose for this effort?

Answer: Project Consulting Group (PCG) was selected via an RFO to complete the initial requirements gathering effort and produce the final report that is linked to this RFO. Any SITE vendor approved in the Analyst, Architecture, and Program/Project Management (all three) categories is eligible to respond to this RFO.

19. How much effort was put into the initial phase of requirements gathering? Although the new vendor would need to assess, what is the State's view on the depth and completeness of these requirements? Does the state expect a significant effort in re-assessing these requirements?

Answer: The engagement that produced the high-level requirements and process flows that appear in the final report that is linked to this RFO lasted approximately 6 months. The high-level requirements cover the breadth of the subject matter but are not detailed enough for an implementation RFP. A significant effort will be required to develop the detailed deliverables for this RFO. As noted in this RFO, "[t]he RFP must be detailed enough to provide potential implementation partners with the information they need to submit a fixed-cost proposal for software, services and custom development."

20. Has the State already previewed other State WC solutions? Solution packages? Vendors? If so, which ones?

Answer: No. During the discovery phase of the project the State hired a vendor to assess representative solutions in other States and/or offered by vendors. The information was summarized and incorporated into the findings and recommendations found in the final report that is referenced in this RFO.

21. The Cost format asks for a firm fixed price. The submission format also asks for hours per staff and cost per hour. Since a fixed price team may have varied hours across resource, based on skills and project need, are ranges appropriate for either hourly rate or estimated hours per staff? Second, what is the scoring rubric for cost? Will you be scoring based on the final firm fixed price only? Will the estimated hours and hourly rate per staff play a direct scoring role? Please provide the scoring model for pricing.

Answer: We request that the cost proposal include a breakdown of hours by deliverable, resource and hourly rate per resource to demonstrate your understanding of where time and effort will be spent. It is understood that actual costs and time spent per resource on each deliverable may vary. This is a fixed-cost, deliverable-based project. The cost proposal should include a fixed bottom-line total cost dollar amount (not a range) for completion of the entire project. The cost scoring (30% of the overall evaluation) will be based on the total cost dollar amount. Staff hourly rates and hours per staff/deliverable are not directly taken into account in the cost scoring.

The cost scoring rubric is as follows:

The Proposal with the lowest total cost will receive 100% of the available cost points. The other Proposals will receive points using the following formula:

$$\frac{\text{Lowest Proposal Cost}}{\text{Responder's Proposal Cost}} \times \text{Maximum Available Cost Points} = \text{Cost Points Awarded}$$

22. Will representatives of impacted staff be able to commit to participating in facilitated workshops?

Answer: Yes. We have time commitments for this project from representatives of impacted staff as well as subject matter experts.

23. What would be the maximum amount of time that the participants would be able to be in facilitation workshops per month?

Answer: The State is committed to providing resources as required to meet the expectations of the vendor's proposed work plan. The State recognizes that some weeks/months may require more time and some less.

24. Approximately how many business units and stakeholders would be involved in this effort?

Answer: The 8 business units/functions identified in the RFO represent the core of the project. There may be 30 – 50 stakeholders ranging from SMEs to the Executive Sponsor. Involvement of each stakeholder will vary by project activity.

25. Can we have access to the following deliverables from the 1st phase: Current state high level business process flows, future state high-level business requirements, implementation technology options?

If not, how were the business process flows documented and how many of them are there? How many business requirements were documented? How many technology options?

Answer: The complete set of business requirements, process flows and implementation technology options are identified in the Workers' Compensation Modernization Project Final Report that is referenced by link in the RFO.

26. How many other states do you know of that have successful implementations of type of Workmen's Comp solution that you are interested in?

Answer: The Workers' Compensation Modernization Project Final Report that is referenced by link in the RFO includes a list of other state solutions. See pages 146-147.

27. How many other states would you expect to be interviewed?

Answer: We do not have a number in mind. Additional research for deliverable 2 will be required to identify which states have systems that are aligned with our high-level business requirements and viable technology options.

28. Do you envision that these interviews could be conducted remotely or would they require going to the other states?

Answer: We anticipate that these interviews would be conducted remotely. However, this does not preclude travelling to other states.

29. For the comprehensive set of use cases, can you share an example from another project that shows the expected format and style, or is the vendor expected to propose a format and style for this RFO?

Answer: The State does not have a required or preferred format for use cases. The vendor will recommend a style that facilitates requirements traceability.

30. Is it anticipated that the comprehensive set of use cases can be completed in 1 week, as set out in the estimated schedule, or is there flexibility in the estimated schedule?

Answer: The proposed milestones and schedules in the RFO were estimates of when milestones would be completed, not necessarily how long each milestone would take to complete. The actual schedule will be proposed by the vendor and be subject to approval by the State.

31. Is it anticipated that detailed functional and technical requirements and associated stakeholder meetings and review sessions can be completed in 2 weeks, as set out in the estimated schedule, or is there flexibility in the estimated schedule?

Answer: The proposed milestones and schedules in the RFO were estimates of when milestones would be completed, not necessarily how long each milestone would take to complete. The actual schedule will be proposed by the vendor and be subject to approval by the State.

32. Can you share a planned budget for this RFO effort?

Answer: The budgeted amount for this effort is not to exceed \$600,000.

33. To what extent are OAH functions and systems included in the eventual implementation RFP? In other words, will hearings, attorney interactions with OAH, OAH workflow, etc. be included in the new system?

Answer: The features, functions and requirements of OAH, as they relate to Workers' Compensation, will be fully represented in the implementation RFP. The Workers' Compensation System is an integrated system that serves two state agencies.

34. To what extent will Research and Statistics functions be included in the eventual implementation RFP? In other words, will statistical analysis and program performance management be included in the new system?

Answer: The data needs of Research and Statistics must be represented in the implementation RFP. This includes the specificity of information captured and ability to extract data needed to complete annual legislative reports and advise the department on improvements to the delivery of service to injured workers.

35. Are there plans to update or modify current EDI formats with this modernization? If so, is the selected vendor expected to develop the updated DLI EDI implementation guide and associated tables as part of this RFO?

Answer: EDI formats may be created, updated and modified during the implementation phase of the project. The development of updated EDI implementation guides and associated tables are not in scope for this RFO.

36. What is the planned role, if any, of the Planning-Phase vendor (who developed the June 11, 2015 documentation provided in the RFO) in this RFO effort?

Answer: There is no planned role for the planning phase vendor.

37. The RFO mentions that the selected vendor will not be considered for future implementation RFPs; is the Planning-Phase vendor allowed to bid on this RFO?

Answer: The planning phase vendor may bid on this RFO, but will not be considered for any future implementation RFPs.

38. What formal review and approvals in addition to the Project Steering Committee (e.g. other MN state agencies and officials external to DLI) are required for the implementation RFP to be approved? Is the vendor for this RFO expected to secure such review and approvals?

Answer: The project steering committee and project sponsors will approve the content of the implementation RFP. Those groups include representatives of DLI, OAH and MN.IT. The RFP will follow the template defined by the Minnesota Department of Administration. State staff will be responsible for routing the RFP through the review and approval process with State contract and administration agencies.

39. How many participating attendees do you anticipate will be invited to the validation sessions?

Answer: The requirements validation sessions will include project team members representing business unit coordinators and subject matter experts. Some sessions may include all team members and some may include only those for a specific area of the workers' compensation system. The full group may include 30 - 50 staff.

40. Is there a desired or preferred tool for the creation and maintenance of the RTM?

Answer: The State does not have a preferred tool for the requirements traceability matrix.

41. The Project Requirements section of the RFO states that the selected vendor will conduct all interview sessions and meetings on site at DLI offices. Can you please clarify if the State intends to have all of the vendor's project team resources to be onsite during these meetings? Or will the State allow for a hybrid team approach where the vendor's resources perform the work both onsite and remotely?

Answer: The "hybrid team approach" you describe is acceptable.

42. Final Report Document (page 13): In the final report there are references related artifacts/deliverables as being in the DLI-WCMP Repository. Can you please provide the contents of the DLI-WCMP Repository?

Answer: The contents of the DLI-WCMP Repository cannot be provided as part of this RFO but will be made available to the selected vendor.

43. Final Report Document (page 141): Can you please provide the Requirements Evaluation for the approaches included in the planning activities?

Answer: The Final Report Appendices include the analysis behind the findings and recommendations in the Final Report. The raw data is not available.

44. Final Report Document (page 161): Can you please provide the detailed cost evaluation completed for the hybrid models evaluated in the planning activities?

Answer: The detailed cost evaluation is not available. Those costs are more relevant to the work that will be completed during the implementation RFP and beyond.

45. Will the subsequent modernization implementation RFP be restricted to vendors with an active, approved master contract under the SITE program?

Answer: No. The implementation RFP will not be published within the confines of the SITE program. It will be published following the RFP process as prescribed by the State of Minnesota Department of Administration.

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Addendum Number: 1

Date of Addendum: 4/7/2016

Original Posting Due Date, Time: 5/20/2016, 4:30 pm CT

Revised Due Date, Time: N/A

Title: Workers' Compensation System Modernization Initiation

SCOPE OF ADDENDUM

The following are changes to the RFO:

On Page 9 of the RFO, under “**Proposal Submission Instructions**”, the e-mail address of the proposal recipient is indicated correctly in print; however, if the hyperlink from the e-mail address is clicked on, it inadvertently directs the user to an incorrect e-mail address. This Addendum corrects that error so that the printed e-mail address and the hyperlink are the same. In all other respects, the RFO remains unchanged. The RFO document has also been updated to correct this issue.

The corrected **Proposal Submission Instructions** are as follows:

Proposal Submission Instructions

- **Each vendor is limited to submission of one (1) proposal in response to this Request for Offers.**
- Proposals must be submitted via e-mail to:

Robin Wegener, Contract Manager, MN.IT Central
Robin.Wegener@state.mn.us

Email subject line must read: [Vendor name] – Work Comp RFO Response

- Proposal documents must be submitted in PDF format. The e-mail in which the proposal is submitted must not exceed 70 MB in size or it may be rejected by the State e-mail system.
- Submissions are due according to the Process Schedule previously listed.
- **A copy of the response must also be sent to MNIT.SITE@state.mn.us for vendor performance tracking.**
- **You must submit an email with your response or email notification that you will not respond to MNIT.SITE@state.mn.us. Failure to do either of these tasks will count against your program activity and may result in removal from the program.**

This addendum shall become part of the RFO and should be returned with, or acknowledged in, the response to the RFO.

RESPONDER NAME:

SIGNATURE:

TITLE:

DATE: